Effect of Proactiveness on the Growth of Women Street Vending in Kenya

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Abstract

Entrepreneurship is perceived as one of the substantial aspects that lead to development, where entrepreneurs are faced with the task of organizing and managing businesses and in the process assuming all risks of their entrepreneurial ventures. Women entrepreneurs all over the world are contributing numerous ideas, energy and capital resources and are making a difference in the business world. This study examined the response that poses as an important factor for growth in the entrepreneurial world. The study provides insight into the role of proactiveness on the growth of women street vending in Kenya. The specific objective of this study was to evaluate the effect of proactiveness on the growth of women street vending in Kenya. The target population of the study consisted of 384 women street vendors in Nairobi who were selected through probability sampling using the systematic sampling technique. The method used for primary data collection was questionnaires that were prepared and administered to women street vendors in the streets of three of Nairobi’s markets. Data analysis employed quantitative techniques on the questionnaires and hypothesis testing and qualitative methods for content analysis. Both descriptive and inferential statistics were used to analyse the data collected where the descriptive statistics involved frequencies and percentages and the inferential statistics involved correlation analysis and regression to test for the relationship of the variables. Various tests like sampling adequacy test, normality and multicollinearity were carried out during data analysis and the study presented the findings using tables and charts. The response rate of the study was 315 respondents out of the
possible 384, majority of whom ranged from 18 to 36 years of age. The correlation results showed that proactiveness was strongly associated to growth of women street vendors in Kenya. Logistic Regression results showed a statistically significant relationship between proactiveness and growth of women street vending. The study concluded that proactiveness has a positive and significant effect on the growth of Women Street vending in Kenya. It was recommended that women in street vending should ensure they are proactive in their business by introducing new products ahead of competition and acting in anticipation of future demand to create, change and shape the environment.

**Key words:** Proactiveness, Street vending, Growth

1.0 Introduction

1.1 Background to the Study

Entrepreneurship plays a key role in economic development and it is characterized as a source of jobs, innovation and competition (Simpson, Taylor & Padmore, 2011). It has been proven that market concepts, techniques and principles ensure the success of Micro, Small and Medium-sized businesses and as environmental circumstances keep on changing, entrepreneurs face a number of choices in their business endeavors (Jasemi, Moradnezhadi & Salavarz, 2016). These choices lead entrepreneurs to come up with entrepreneurial responses that would provide efficiency and effectiveness in their businesses.

Welter and Smallbone (2011) found that lawmakers, tax collection agencies and regional authorities issuing various business permits and licenses are among the key institutional players in the business world. They cause the institutional environment to be unpredictable, corrupt, hostile and detrimental to the growth of private entrepreneurial firms and as a result entrepreneurs have to come up with entrepreneurial responses. Businesses therefore need to be aligned to the environment in which they operate for their survival and subsequent growth by dealing with the institutional players. Unlike firms in well established markets, entrepreneurial firms tend to operate in ambiguous contexts which are marked by fast moving flows of opportunities. They face uncertain technologies, unclear products and features and extreme ambiguity about opportunities and customer demands (Mudiyansegala & Herath, 2014).

Entrepreneurial responses are therefore focused on learning and adjusting to the uncertain environments so that entrepreneurs can select and exploit the most valuable opportunities. Entrepreneurs are known to display high levels of entrepreneurial agency as they try to transform negative mental stress in order to persist with their ventures (Haines & Townsend, 2014). For the realization of possible benefits of entrepreneurship, it is important that a noteworthy number of businesses that are established succeed. The success and growth of a business can be a result of many factors, the main catalyst of which is the actions of the entrepreneur to overcome uncertainty and ambiguity in the business environment.
According to Krlev (2012), the entrepreneurship process is based on identifying and exploiting needs and problems well ahead of potential competitors and through the use of unique and creative approaches, entrepreneurship occurs when an action takes place and the entrepreneurial act is used to define the group to study. Entrepreneurs have a favorable disposition to risk and it is important for them to plan, develop and implement strategies that help them in achieving market presence, growth and development (Jovanović, Nikolić, & Daković, 2010). Businesses which engage in innovativeness, taking of risks, competitive aggressiveness and sales approaches are considered as entrepreneurial, they are known to use creativity and uniqueness to keep ahead of the rest. The proactive behavior of an entrepreneur is about making things happen, it involves the ability to initiate, anticipate and change situations. This may also involve the ability to make decisions, change working methods and striking deals using one’s personal initiative.

According to Grant and Ashford (2008), the behavior of proactivity involves self-starting and the aspect of being future oriented that aims at bringing about change in one’s self or the situation at hand. It encompasses anticipation and control taking of situations. The aspect of going beyond assigned tasks, developing goals and anticipating problems well in advance and hence taking charge of the business environment, all of which are critical entrepreneurial responses for growth in the business world. Proactive perspectives capture the growing importance of employees taking initiative to anticipate and create changes in how work is performed, based on increases in uncertainty and dynamism (Grant & Parker, 2009).

The economy of a country is affected by several downfalls and most people engage themselves in small business operations to cope. The increase in the number of small businesses contributes to an increase in the number of competition amongst the businesses. According to Singh, Garg and Deshmukh (2009) the globalization of markets, technological advances and the changing needs and demands of consumers has forced the nature of competitive paradigms to change continuously. The liberalization and promotion of entrepreneurship has led to an ever growing influx of new entrants in the retail sector also intensified by the fact that it is one sector with very minimum barriers to entry.

According to Hoelscher and Elango (2012), small businesses and new ventures have long been considered economic indicators of a nation’s economic health and prosperity. External contacts are relied upon for the access of scarce and specialized resources that are needed by businesses for them to establish themselves and to grow. This is because; it is time-consuming and demanding for businesses to attain all the resources necessary to effectively commercialize a business idea alone (Gathungu, Aiko & Machuki, 2014). In Kenya, street vendors are a vital part of the Micro and Small Enterprises Sector (MSE) involved in trade and service provision. However, street vending in Kenya is a survivalist activity which faces a lot of challenges despite being one of the largest contributors to employment (KNBS, 2016).
Street vending is a business activity which offers goods for sale to the public without having a permanent built-up structure from which to sell (Hansen, Little, Milgram, Babb, Bromley, & Clark, 2014). The contribution of the vendors to urban lives goes past their own self-employment and is an important livelihood for the urban poor in developing countries. They generate demand for a wide range of services provided by other informal workers, including transport workers, tea sellers, market porters, security guards, recyclers and others. They also generate demand for services provided by formal sector public and private actors, including transportation, and formal shops and suppliers from whom they source their goods (Roever, 2014). In African cities, street vendors are portrayed to be sources of congestion and poor environmental hygiene by city authorities, where their structures are seen as destroying the aesthetic worth of urban settlements (Solomon-Ayeh, Sylvana & Decardi-Nelson, 2011). Even the perceptions of contemporary and international towns cause evictions and relocation campaigns which are undertaken by city authorities to “clean up” the city and make it more “attractive” (Anjaria, 2006; Donovan, 2008; Milgram, 2011).

Street vending accounts for a significant share of women’s informal employment in Sub-Saharan Africa and the proportion of women street traders is higher than that of men in most cities. Street trade is an important economic activity that sustains a significant percentage of rural and urban dwellers especially the developing countries. The activity falls among the micro and small enterprises that form a main thrust for economic development in developing countries (Mitullah, 2010). Women dominate street vending in East and South-east Asia, and it is one of the most important avenues for poor women to support their families. Although street vending is seen as an option for the poor, their legal and social status and business prospects differ locally as well as regionally.

Official statistics show that informal employment accounts for more than one half of total non-agricultural employment in most developing regions; as much as 82 percent in South Asia and 66 percent in sub-Saharan Africa. The International Labor Organization (ILO) indicates that except in societies that restrict their mobility, women comprise 30-90 per cent of street vendors in developing countries and as much as the income is low and no particular special skills are required many people who migrate to the urban cities in search of employment end up engaging in street vending (ILO & WIEGO, 2013). Street vending signifies an important share of the urban informal economy where poverty and high intensities of unemployment in Kenya has seen an upsurge in the number of women street vendors as they take up street trading as a means of growth and a livelihood strategy (Muiruri, 2010). Women entrepreneurs come into venture creation with different endowments of human and social capital than their male counterparts. These differences are explained generally by the pervasive influence of similar social structures such as work, family and organized social life. Social structures differently affect women’s human and social capital endowments, leading to unique combinations of organizational resources in their businesses (Brush, Bruin & Welter, 2009).
According to a study carried out by Marlow and McAdam (2013), women-owned businesses exhibit constrained performance but as much as the majority of their businesses remain small and marginal this are not synonymous with underperformance. As much as female owned businesses differ from male owned businesses in terms of industry, previous experience and hours worked, they are no less successful (Zolin, Stuetzer & Watson 2013). In a bid to find out whether female-owned small businesses differ from their male counterparts in terms of success and performance, a study was carried out by Mijid (2017) where the study found that, female owned small firms have a significantly lower rate of loan approval and that married women have a significantly higher probability of loan approval.

Koster, Stel and Folkeringa (2012) opined that mobility of a firm results in changes in the arrangement of the population of incumbent firms. The most competitive competitors and incumbents survive and these businesses grow while the least competitive firms exit the market or are forced to downsize. The result of a creative destruction process is an ever ending changing composition of the firm population in an economy where the average quality of the firms continuously increases as the high quality firms survive and grow and the low quality firms decline or exit. Previous literature has indicated that there are indeed different factors affecting the growth ability of business ventures. It has been acknowledged that sustainability practices are fundamental and can contribute to the success of business in the long term (Perrini & Tenacati, 2006).

According to Chen (2012) informal entrepreneurs choose to work informally yet this kind of employment tends to expand during economic crises or downturns. In many developing countries, the vast majority of the workforce has never had a formal job and continues to engage in traditional or growth activities. The average Kenyan MSE employs 1 – 2 workers while over 70 percent employ only one person. The lower end of these MSEs is often confined to subsistence and low value adding activities, both in urban and rural areas. Only a few MSEs grow to employ 6 or more workers. According to research findings, MSEs have high mortality rates with most of them not surviving to see beyond their third anniversaries. This phenomenon has made it difficult for MSEs to graduate into medium and large-scale enterprises, thus the “missing middle”. This has resulted in a weak base for industrial take-off and sustainable development (Republic of Kenya, 2005).

It is common practice to find that local bylaws contain provisions granting authorities to seize vendor’s goods as a sanction against unauthorized use of public space (Skinner, 2008). Provisions of the bylaws are in most cases not accompanied by limitations on what the authorities should do with the confiscated goods after seizing them, and where the limitations exist, vendors have little recourse if the goods are never returned (Roever, 2014). Bellagio declaration identified six problems of street traders around the world, cost of regulation, harassment, bribes, confiscation and evictions, lack of services, and infrastructure and lack of representation (Mcgranahan, 2009).
Street vending is a global practice found both in the northern and the southern hemispheres of the world major cities of Berlin, Dhaka, New York City, Los Angeles, Calcutta, Rio de Janeiro, and Mexico City (Graaff & Ha, 2015). As the case studies on Berlin, Los Angeles, and Mexico City in this book reveal, vendors are deeply affected by the growing commodification, touristification, and (semi) privatization of urban space that result from global competition between different cities.

A critical look at street vending activities begun in 1995 with the Bellagio International Declaration of street hawkers which brought forth a plan to create national policies in order to promote and protect the rights of street vendors in urban settings. This declaration also calls for action at four other levels namely action by individual traders, traders’ associations, city governments, and international organizations including the United Nations (UN), the ILO and the World Bank (Srivastava, Ram, Kurpad & Chatterjee, 2012).

In Kenya about 48 percent of micro, small- and-medium sized businesses are run by women (Matende, 2013). The women owned businesses make a significant contribution to the Kenyan economy contributing around 20 per cent to Kenya’s Growth Domestic Product. The Kenyan government recognizes that women entrepreneurs have not been on an equal footing when it comes to their access to opportunities and assets but it has yet to effectively address the barriers facing women in business (Athanne, 2011). The informal sector is more lucrative to women because less intensive capital is needed to establish the enterprises and no special skills are required (Gichuki, Mutuku & Kinuthia, 2014). However, the women entrepreneurs need to come up with strategies for them to grow in the business environment.

Many sub-Saharan African countries have been experiencing rapid population growth and urbanization from both natural increase and high rates of migration into the cities and large towns. The contemporary situation in Kenya is that of the migration of young people from the hinterland into the main centres of commercial activity. In the cities and towns, most of these young persons have difficulty in finding jobs in the formal economic sectors due to their often-limited education and lack of skills for formal employment (Hussein, 2014).

Hawking in Nairobi dates back to the coming of the railway in 1899 when Nairobi was founded and settlement started (Macharia, 2010). Nairobi owes its origin to being a construction camp for the railway being built between Mombasa and Uganda. A number of Indian employees began the process by planting fruits and vegetables along Nairobi River. Some of this was sold to Europeans. African employees realized the gains inherent in vending and started their own vending businesses in urban spaces. As more Africans opted for vending instead of wage labour, the activity started to be controlled restrictions especially on fruits and vegetables the number kept on growing (Space, 2014).

By 1914 there were an estimated 2000 vendors and by 1920s the municipal council had to include a special provision in the by-laws granting free vending licenses to cultivators selling their own produce. By 1941, 41 per cent of vendor’s licenses were for fruit and vegetables and when the state of emergency began in 1952, the number of vendors licenses issued to
Africans was reduced from 732 to 594, in 1953 the vending of charcoal and tea was completely abolished then in 1954 the only street traders permitted in the commercial and residential areas of Nairobi were selling of newspapers, and even this was restricted (GOK, 2009).

When the state of emergency was lifted in 1961, the number of hawkers increased with population growth. Many people especially those coming from Kikuyu areas near Nairobi, opted for vending after failing to find employment (Space, 2014). At this time, the issue was not whether they should be allowed to hawk but how vending could be organized and how many to be licensed. This led to the building of new markets on the eve of independence and thereafter. Since then the number of hawkers has constantly increased.

According to Nairobi city council licensing superintendent, there were about 30,000 hawkers in the urban city space in 1984, but the press maintained it was 45,000 or more despite these enormous numbers the city council issue only 5,000 licenses a year. The negligence of the street vending activities has resulted in the lack of accurate estimates of the numbers of street traders. In 1999, street based workers in Kenya were estimated to number 416,294. This accounted for 5.2 per cent of the non-agricultural labour force of which women were 3.9 per cent (Mitullah, 2003).

An umbrella alliance of seven core urban alliances in Kenya, namely: Nairobi, Mombasa, Kisumu, Nakuru, Eldoret, Machakos and Migori for street vendors known as Kenya National Alliance of Street Vendors and Informal Traders (KENASVIT) was formed as a product of a research carried out by the Institute for Development Studies (IDS) of the University of Nairobi between 1999 and 2000. Its vision is to transform street vending and informal businesses into corporate establishments. The mission is to organise and empower street vendors and informal traders, in order to improve their businesses through training, access to credit, dialogue with local authorities and other relevant organizations on appropriate by-laws and policies that give recognition to, and bring to an end harassment and discrimination against these traders The Alliance has over 3,000 members drawn from 140 local associations that form the seven urban alliances (Mitullah, 2007).

According to Kamunyori (2007), The Nairobi Informal Sector Confederation (NISCOF) which is an umbrella body of informal traders’ and service providers’ associations in Nairobi, has been striking because despite representing a marginalized population, NISCOF has contributed significantly to the altering discourse. Registered in 2005, NISCOF has 23 member associations representing approximately 15,000 individual traders. An estimated 70 per cent of NISCOF’s members are street vendors, with the remaining percent made up by newspaper vendors, rubber stamp makers, watch repairers and other service providers that operate on the street. NISCOF’s member associations are primarily locational, rather than sectorial, meaning that traders join based on the geographic proximity to their trading spaces. Its 23 member associations consist of members who operate in the same lanes. The associations, therefore, represent diverse trades, including retail clothing and accessories and food/catering.
Vending as a mode of trade initiated in the African indigenous market concept where African traders, especially women, were attracted into new settlement to provide foodstuffs and since no spaces were assigned to the traders, they would move with their goods from one household to the next. As more people were attracted to the trade, household utensils, soap, sweets, cigarettes and clothing were introduced. As the residents of the city increased, the demand for the goods also increased. The hawkers’ goods were cheaper than those in the shops because they were not subjected to taxes or rent and this made vending a worthwhile trade (Kinyanjui, 2013).

The greatest challenge facing street vendors is with regard to site of operation and right to trading space. Traders settle in streets spontaneously without any official allocation. Most of the spaces the traders occupy have no tenure, and are not allocated and sanctioned by urban authorities, hence they are considered illegal. Street vendors are seen to occupy public spaces, and disturb order in public spaces. In most cases street vendors jostle for sites close to transport and commuter nodes. The response of city authorities may range from outright prohibition of street vending to regulated and negotiated use (Onyango, Olima & Onyango, 2012). Harassment, confiscation of goods, imposition of fines, physical assault and time spent in court are some of the problems street vendors face in the process of their operations. In cases where they are allowed to operate, the spaces are considered temporary and eviction occurs at the will of urban authorities.

Nairobi, Kenya’s capital city is expanding rapidly both in human population, buildings and infrastructure. In Kenya, street vending falls with the Micro and Small Enterprises (MSEs) which provides employment and income to about 70 per cent of Kenya's population, especially in urban areas. Muiruri (2010) revealed that 68 per cent of the women street vendors trade in perishables, they possess low skills and lack the level of education required for better paying jobs; 97 percent have no other sources of income apart from vending and 87 per cent joined the activity due to poverty and unemployment. Due to inadequate opportunities in acquiring formal employment, many people set up informal enterprises such as vending to earn a living.

The economic survey of the Kenya National Bureau of Statistics (KNBS) (2011) indicated that in Nairobi, 2.7 million people are engaged in the informal economy. In the Kenyan capital city, serious focus on the street vending begun with the Bellagio declaration of street hawkers which called for the national policies for the street vendors and follow up action by individual vendors, vendors’ associations, city government and international organization (Mutisya & Yarime, 2011). Most street traders have no tenure for the sites they use, and hence the temporary nature of the structures and display tools they use. The numbers that have occupancy are negligible as compared to the total numbers that are engaged in street vending activities. This gap can be captured by looking at the numbers of street vendors licensed to trade, compared to the numbers that trade. For example, within the city of Nairobi, where there are over 100,000 street and roadside traders, at no point have the authorities’ licensed more than 10,000 traders (Mitullah, 2003).
Urban markets in Nairobi, Lagos and Accra are dominated by women who are responsible for massive trade in food and clothes, and Kinyanjui (2013) has demonstrated how women in economic informality have navigated the journey from the margins to the city centre in Nairobi. The Kenyan government recognizes that women entrepreneurs have not been on equal footing when it comes to their access to opportunities and assets but it has yet to effectively address barriers facing women in business (Athame, 2011). Urban space has not been designed to empower people or provide vibrant places for small entrepreneurs and informal activities can trade and manufacture at viable location (Jacob, 2010). The lack of security for street vendors is obvious in circumstances where women vendors are targeted for harassment or asked to exchange sex for permits (Lubaale & Nyangoro, 2013).

In their quest to make a living, many of these persons, have no other choice than to take to the streets to fashion out a living. They live on the streets and are exposed to the vagaries of street life, including rape, commercial sex work and crime. This growing segment of the vulnerable urban poor population is often overlooked mainly because they have no recognized addresses and are usually seen more as a liability rather than a potential labour force that could contribute to the national income if their interests are properly taken care of. The huge number of people on the street that have often fuelled successive governments promises of job creation (Hussein, 2014; Brown, 2006).

In Kenya as in Brazil, street vendors earn more than domestic workers but their earnings are only a little over three quarters that of the average for all non-agricultural, urban informal workers (WIEGO, 2013). Street vendors have long existed as purveyors of goods and services to a large public that spans class and income. The integral role played by street vendors in the daily lives of most of Kenya’s and the world’s population stands in sharp contrast to the precariousness of their own lives. Gender inequality in African cities is a key concern and according to reports from the United Nations Human Settlements Programme (UN-HABITAT), women in Africa’s urban settings are marginalized because of their gender as well as because of physical and social conditions (UN-HABITAT, 2006), thus this study sought to establish the role of proactiveness on the growth of women street vending in Kenya.

1.2 Statement of the Problem

Street vending in Kenya faces a lot of challenges such as police harassment and lack of designated areas for trading despite being one of the largest contributors to employment (KNBS, 2016). Similarly, there is no proper legislation in Kenya to protect the interest of street vending which creates loopholes for police harassment that hinders their growth from informal micro enterprises to formally registered enterprises that can be taxed contributing to revenue generation. According to KNBS (2016) report, 78.90% of micro enterprises are unlicensed contributing to over 64.71% of the total employment in Kenya. Therefore, high growth of street vending implies more contribution to the economy, and holds the potential to increase government revenue because street vending eventually grows into sustainable SMEs in the long run (Kamunge, Njeru & Tirimba, 2014). Benjamin, Beegle, Recanatini, and Santini (2014) further showed that 84% of the employed women in this region are employed
in the informal sector. Similarly, Chen, Roever and Skinner (2016) also argue that despite its scale and role in reducing economic and social exclusion, local authorities still refuse to recognize street vending.

Racaud (2018) and Steiler (2018) reveal that the institutional environment in Kenya prevents street traders from being licensed and therefore restricts them to the informal economy. According to Wongtada (2014), street vending is universal across the universe and it provides a source of earnings for the unemployed in urban areas as well as providing inexpensive goods and services for the city residence. The studies mentioned demonstrate that scholars and researchers have focused on street vending with the attention of addressing the problem. However, there are scarce empirical studies that have focused on the role of proactiveness on the growth of Women Street vending in Kenya. For instance, Racaud (2018) and Steiler (2018) focused on institutional framework and how they affect street vending. This study therefore, addressed conceptual gap that exists among studies on growth of street vending. Similarly, this study focused on Women Street vending while existing studies focused on street vending in general hence bridging the methodological gaps by focusing on specific target population.

The increase in street vending and slow of graduation of this street vending from informal enterprises to formal enterprises points to the fact that women in street vending lack knowledge to support their growth. This study addressed the knowledge gap by focusing on establishing the role of proactiveness on the growth of Women Street vending in Kenya. Therefore, the study proceeded with the intention of addressing the existing; conceptual gap, contextual gap, methodological gap and knowledge gaps on the effect of proactiveness on the growth of Women Street vending in Kenya.

1.3 Research Objectives
To evaluate the effect of proactiveness on the growth of women street vending in Kenya

1.4 Research Hypotheses

H₀: There are no significant effects of proactiveness on the growth of women Street vending in Kenya.

2.0 Literature Review
2.1 Theoretical Framework
2.1.1 Social Cognitive Theory

The social cognitive theory by Bandura (1999), indicates how people are able to influence their own actions to yield results, they have the capacity to exercise control over their own thought processes, motivation, affect and action. The theory points out that people are agentic operators in their life course and not just onlookers of events that are created the environment
(Harre & Gillet, 1994). The theory goes ahead to subscribe to a model of emergent interactive agency (Bandura, 1999). This indicates that people can make their own decisions due to the mental events and brain activities.

Bandura indicates that the environment comprises of three structures which are the imposed environment, selected environment and the constructed environment where the physical and sociostructurally environment is thrust upon people whether they like it or not and although they have little control over its presence, they have the freedom of how they construe and react to it. Studies have tried to identify the knowledge that entrepreneurs use to make assessments, judgements or decisions, in estimating opportunities, and in the creation and growth of businesses (Bouckenooghe, Cools, Van den Broeck, & Vanderheyden, 2005).

The Agentic perspective of this theory relates to the act of being proactive by entrepreneurs as that of an agent who intentionally make things happen by the actions taken. Agency represents the endowments, belief systems, self-regulatory capabilities and allocates arrangements and roles in which personal influence is exercised. The features of agency enable people to play a role in their self-development, adaptation and self-renewal with changing times (Bandura, 1997). Individuals set goals for themselves, anticipate the likely consequences of prospective actions, and select and create courses of action likely to produce desired outcomes and avoid detrimental ones (Bandura, 1991; Locke & Latham, 1990). Through the exercise of forethought, entrepreneurs motivate themselves and guide their actions in anticipation of future business.

The cognitive approach uses the cognitive aspects of entrepreneurs to study and even to explain their behavior which relates to identification of opportunities for the creation of business and business growth. It involves certain ways of processing information related to entrepreneurial behavior (Sanchez, Carballo & Gutierrez, 2011). Some authors have coined the term ‘cognitive style’ to characterize certain ways of processing information related to entrepreneurial behavior (Baron, 2004; Boucknooghe et al., 2005; Sánchez, Carballo & Gutiérrez, 2011). This perspective suggests that women in street vending have the capacity to manipulate their behavior for the benefit of their businesses. In the context of the proactiveness the women practicing street vending are able to introduce new items into the market ahead of their competitors. They may even seek new opportunities in different markets or other sources of their products and thus giving way to the growth of their businesses. With this in mind the entrepreneurs should be conscious of their environment at all times and be able to adapt to changing times by self-renewing themselves depending on situations. This way they will be able to identify new opportunities for their business growth which relates to the personal factors that influence entrepreneurial behaviour.
2.2 Empirical Literature Review

2.2.1 Proactiveness and Growth

Annan (2013), conducted a study on innovation, proactive and vision as three integrated dimensions between leadership and entrepreneurship. The study discussed three traits namely: visionary, proactive and innovative as the traits developed over time that can move an individual into taking hold of new opportunities and converting the same into profits. The study also discusses proactive personality as the ability to solve issues and challenges with an inclination of making changes to the environment.

The study employed a survey research design and made use of the stratified random sampling technique to sample the respondents who comprised of persons owning either small or medium size entrepreneurial businesses with a sample size of 120 respondents. The research engaged in a quantitative data collection method by administering closed ended questions in the questionnaires that were administered online. The results of the study indicated that it is important for an entrepreneur to have the three traits and concluded that vision, innovation and proactive personality are vital to both the individual and the corporate entrepreneur.

The findings of a study by Nikraftar and Hosseini (2016), indicated that individual’s self-efficacy, prior knowledge and social networks had positive effects on entrepreneurial alertness which also contributed significantly to entrepreneurial recognition. The study which set out to examine the backgrounds of entrepreneurial opportunity recognition carried out in the tourism industry, suggested that it was critical to invest in developing and enhancing individual ability of entrepreneurs. The study employed the use of questionnaires for data collection from 220 senior tourism business members in Iran. The findings showed that social networking was the most important predictor among all other antecedents of entrepreneurial opportunity recognition. The study indicates that key success factors for entrepreneurial alertness are individual abilities and that entrepreneurs are much better if they work in areas where they have enough knowledge and experience.

Haines and Townsend (2014), in a study to find out how entrepreneurs overcome self-doubt and persist in creating new ventures, came up with a process model and sampled high tech, high growth entrepreneurs who had received venture capital funding and suggested that entrepreneurs overcome self-doubt by managing the emotional impact derived from the discrepancy between their ideal and actual selves. The study after using a sample of 27 high-tech, high-growth entrepreneurs who had received capital funding suggests that entrepreneurs engage in active processes of transforming a negative mental state by leveraging their intentionality, engaging in forethought, taking consistent action and relying on others for support. The study further suggested that entrepreneurs engage in active processes of transforming negative mental states by engaging in forethought and taking consistent action and relaying on the support of others.
In line with this, Adomako, Danso, Uddin and Damoah (2016), carried out a study on entrepreneurs’ optimism, cognitive style and persistence in pursuit to examining the moderating effects of cognitive style dimensions on the relationships between entrepreneurs’ optimism and persistence. The cross-sectional designed study employed a survey data from 198 SMEs in Ghana realized that the relationship between entrepreneurs’ optimism and entrepreneurial persistence in actually enhanced at higher levels of cognitive planning and creative styles. The study relied on cognitive clarifications of human behaviour and sought to develop the theoretical field within the field of entrepreneurship.

A study carried out by Zellweger and Sieger (2012), on the entrepreneurial orientation in long-lived family firms relied on a case study approach to investigate proactiveness as one of the EO components. The study was based on qualitative case studies in Switzerland and gathered data using semi structured interviews as the method of collecting data, with each interview lasting 60-90 minutes. The respondents were family and non-family members in the top level positions of the firm. Secondary data was also gathered from company websites. Annual reports, press releases and company documents. The results of the study indicated that long-lived family firms exhibited low to restrained levels of proactiveness and in contrast to the crucial role that entrepreneurship literature assigns to proactiveness, the companies in the study followed an evolutionary rather than a proactive path. Most of the firms assumed a wait-and-see attitude, waiting for the right opportunity to leap ahead of the competition. The researchers suggested that family chief executives’ eager to be more proactive may be hindered by family ownership structure.

2.3 Conceptual Framework

![Conceptual Framework](image)

Figure 1: Conceptual Framework
3.0 Methodology

This study adopted and relied on a positivist philosophy which is based on theories that are used to generate hypothesis that are tested to give statistical justification of conclusions from the empirically testable hypothesis. The study adopted a descriptive approach so as to be able to obtain information concerning the growth of women street vending and went ahead to determine the role that proactiveness plays on the growth of women street vending in Kenya. The study targeted women street vendors in Kenya. The target population of the study was composed of 10000 women street vendors in Nairobi City. The used a sample size of 384 street vendors in Nairobi City. The sample size of the study was determined using the formula;

\[ n = Z^2 \times p \times (1-p)/d^2 \]

Where:

\[ n = \text{Sample size for large population (if the target population is greater than 10,000)} \]

\[ Z = \text{Normal distribution Z value score, (1.96)} \]

\[ p = \text{Proportion of units in the sample size possessing the variables under study, where for this study it is set at 50\% (0.5)} \]

\[ d = \text{Precision level desired or the significance level which is 0.05 for the study} \]

4.0 Research Findings and Discussions

4.1 Descriptive Analysis

Table 1 Selling of Same Items as Other Vendors

<table>
<thead>
<tr>
<th>Sell same commodities as others</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>194</td>
<td>61.6</td>
</tr>
<tr>
<td>No</td>
<td>121</td>
<td>38.4</td>
</tr>
<tr>
<td>Total</td>
<td>315</td>
<td>100</td>
</tr>
</tbody>
</table>

The results in Table 1 reveal that a majority (61.6\%) of the women street vendors consider selling the same items as other street vendors in their location. Only 38.4\% of the vendors choose to sell different items that the other vendors in their location. Yannopoulos (2011) stated that there is a potential of conflict when firms sell the same product through traditional methods. The reasons given on if the respondent waits on others to introduce new items before they do so themselves varied from customer needs and supplier information, avoiding
competition and fashion for those who sold the same items as the others in street vending. For those who decided to sell different items, the reasons they gave were wanting to be unique by having different items, beating competition, to capture customers before competitors and also fashion sense where they introduce new items based on the current fashion. The information gathered from the data collected agrees with that of Kreiser et al. (2013) who describe proactiveness as a perception that comprises of introducing new products ahead of competition and acting in expectation of future demand to generate, change and shape the environment.

Table 2: Factors Considered when Introducing Items into the Business

<table>
<thead>
<tr>
<th>Factor Considered</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer wants</td>
<td>205</td>
<td>65.1</td>
</tr>
<tr>
<td>Supplier information</td>
<td>22</td>
<td>7.0</td>
</tr>
<tr>
<td>Competition</td>
<td>26</td>
<td>8.3</td>
</tr>
<tr>
<td>Season</td>
<td>48</td>
<td>15.2</td>
</tr>
<tr>
<td>Others</td>
<td>14</td>
<td>4.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>315</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

The decision on what to sell is highly determined (65.1%) by the customer wants. Table 2 represents the information where the supplier of the items also plays a key role (7%) in determining what the vendor will sell by giving information on the same. The particular time or season specified 15.2% of the decisions that the women chose to sell. These tally with the fact that the major items sold in the streets by the women are clothes. Competition also played a small role (8.3%) in the factors that the respondents considered before deciding what to sell. According to Zellweger and Sieger (2012), long-lived family firms exhibited low to restrained levels of proactiveness in contrast to the crucial role that entrepreneurship literature assigns to proactiveness. Family firms charted an evolutionary rather than a proactive path and most of the firms assumed a wait-and-see attitude, waiting for the right opportunity to leap ahead of the competition.

When introducing a new item into the business the respondents indicated that 76.8% introduce the item before others introduce it, 23.2% wait for their competitors to introduce new items before they start selling it. The reason they gave for introducing new items into the marketplace was that they wanted to be unique in what they sold before the item flooded the marketplace.

The suppliers play a big role here because of introducing the items for them to buy. 79.7% of the respondents revealed that they strive to pursue different marketing strategies ahead of their competitors while 20.3% did not pursue and marketing strategies ahead of their competitors, they carried out business as usual. They exposed the fact that customer
satisfaction was very important for them in the decisions they made as this encouraged fast movement of items due to the demands of the customers.

Customer satisfaction will therefore increase the market share of the vendor and hence move more items leading to better profits and finally the vending business will survive. The proactive nature of an entrepreneur is concerned with anticipating and acting on future needs by pursuing new opportunities that may or may not be correlated to the present line of operation by bringing in new products or brands ahead of competition (Green et al., 2008; Kreiser & Davis, 2010).

Table 3: Proactiveness in Entering New Markets

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Always strive to enter new markets</td>
<td>183</td>
<td>88</td>
<td>21</td>
<td>11</td>
<td>12</td>
</tr>
<tr>
<td>Always strive to lower cost in order to expand my market share</td>
<td>54</td>
<td>65</td>
<td>105</td>
<td>38</td>
<td>53</td>
</tr>
<tr>
<td>Always strive to improve on item quality</td>
<td>120</td>
<td>90</td>
<td>68</td>
<td>30</td>
<td>7</td>
</tr>
</tbody>
</table>

Table 3 clearly indicates that the idea of striving to enter new markets was strongly agreed upon by 183 of the respondents while only 11 disagreed with this. The results on issues of lowering prices in order to expand the market share of the respondents exposed that 105 of the respondents try to lower prices so that they can expand their market share. While 53 strongly disagree with that activity of indicated that they don’t approve the idea of lowering prices. Product quality is also an issue that the respondents valued as 120 (38%) of the respondents indicated that they strive to have items of improved quality.
4.2 Correlation Analysis

Table 4: Correlation Matrix

<table>
<thead>
<tr>
<th></th>
<th>Growth</th>
<th>Proactiveness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth</td>
<td>Pearson Correlation</td>
<td>1.00</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>0.00</td>
</tr>
<tr>
<td>Proactiveness</td>
<td>Pearson Correlation</td>
<td>0.776**</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1.00</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).

Results in Table 4 shows that there was a strong positive association between Proactiveness and Growth of women street vending (r=0.776, P-value=0.00). The correlation analysis results conform to those by VanNess, Seifert, MArler and Hughes (2016) which reported that, proactive entrepreneurs are found to be higher in self-efficacy, self-reliance and centrality of work. The proactive nature of an entrepreneur is concerned with anticipating and acting on future needs by seeking new opportunities that may or may not be related to the present line of operation by introducing new products or brands ahead of competition hence enhancing the growth of business.

4.3 Logistic Regression Analysis

Table 5: Logit Regression between Proactiveness and Growth of women street vending

|              | Coef.     | Std. Err. | z     | P>|z| |
|--------------|-----------|-----------|-------|-----|
| Proactiveness| 0.378419  | 0.034845  | 10.86 | 0.000 |
| _cons        | 0.708109  | 0.086672  | 8.17  | 0.000 |

Number of Observations= 315
Wald Chi(1) F statistic = 219.15
Prob >chi² = 0.0000
Pseudo R² = 0.5018

Table 5 indicates that the model has a Wald Chi (1)/ F statistic of 219.15 (p=0.000<0.05) which shows that the logistic model used to test the effect of proactiveness on the growth of women street vending was statistically significant. The results indicate that the overall model was statistically significant. This was supported by a Wald Chi/ F statistic value of 219.15 which was greater than F 0.05 critical of 3.94 and the reported p value (0.000) which was less than the probability that 2P(Z > z*) = α, so the critical value z* corresponds to the = α/2 significance level. To achieve a significance level of 0.05 for a two-sided test, the absolute value of the test statistic (|z|) must be greater than or equal to the critical value 1.96 (which corresponds to the level 0.025 for a one-sided test).
The coefficient results of proactiveness given by ($\beta=0.378419$, $p=0.000$, $<0.05$) showed a statistically significant relationship between proactiveness and growth of women street vending. The findings implied that a unit increase in proactiveness would increase growth of Women Street vending by 0.378419. The hypothesis was tested by using the logistic regression where the acceptance/rejection criterion was that, if the p-value is less than 0.05, then $H_0$ is rejected but if it is greater than 0.05, the $H_0$ is not rejected. Based on this, the study rejected $H_0$: There are no significant effects of proactiveness on the growth of Women Street vending in Kenya. Similarly, Gathungu, Aiko and Machuki (2014) demonstrated that proactive nature is a key to exploiting on innovative capabilities within the firm. The study further supported Annan (2013) who stated that it is vital for both the individual entrepreneur and the corporate entrepreneur to have a proactive personality among other traits.

### Table 6: Odds Ratio for Proactiveness and Growth of Women Street Vending

| Growth    | Odds Ratio | Std. Err. | z     | P>|z| |
|-----------|------------|-----------|-------|-----|
| Proactiveness | 0.71193 | 0.13803 | 10.86 | 0.000 |
| _cons     | 0.18120 | 0.037902 | 8.17  | 0.000 |

According to the findings presented in Table 6, the odds ratio that proactiveness would lead to high growth of women street vending were 0.71193. The findings implied that Women Street vending with high level of proactiveness are 0.71193 times more likely to grow compared to those without a high level of proactiveness. The finding reinforced that of Adomako et al, (2016) demonstrated that the relationship between entrepreneurs’ positivity and entrepreneurial determination for growth is actually enhanced at higher levels of cognitive planning and creative styles.

$H_0$: There are no significant effects of proactiveness on the growth of women Street vending in Kenya

The hypothesis of the study sought to test the effect of proactiveness on the growth of Women Street vending in Kenya. The coefficient of proactiveness was found to be ($\beta=0.378419$, $p=0.000$, $<0.05$) indicating a statistically significant relationship between proactiveness and growth of women street vending. Hence the study rejected $H_0$: There are no significant effects of proactiveness on the growth of Women Street vending in Kenya. The finding also showed that odds ratio of proactiveness leading to high growth of women street vending was 0.7119 more than odds of proactiveness resulting to low growth of women street vending. The study demonstrated that proactiveness and growth of women street vending had a significant relationship.

The results are in agreement with the findings of Gathungu et al, (2014) who stated that, while innovation is the action of evolving new ideas, the proactiveness of a firm is the ability of the organizations to produce and exploit future-focused perspectives that enable organizations to respond to opportunities that are recognized for new products, markets or
ventures. In principle, the existence of a proactive nature is a key to exploiting on innovative capabilities within the firm.

The results are also in agreement with the findings of Mallin et al (2014) who assert that, since entrepreneurship is a way of recognizing and exploring an opportunity wherever it may be found, it involves the attitude, way of thinking, the state of mind and the insightful nature of the entrepreneur. Entrepreneurs require taking self-directed actions to be proactive in order to benefit from opportunities in the market place (Rauch et al, 2009).

**Table 7: Summary of Hypothesis**

<table>
<thead>
<tr>
<th>Objective</th>
<th>Hypothesis</th>
<th>Rule</th>
<th>p-value</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>To evaluate the effect of proactiveness on the growth of women street vending in Kenya.</td>
<td>H₀: There are no significant effects of Proactiveness on the Growth of women street vending in Kenya.</td>
<td>Reject H₀ if p value &lt;0.05</td>
<td>p&lt;0.05</td>
<td>The null hypothesis was rejected; therefore, Proactiveness has significant effect on the Growth of women street vending in Kenya.</td>
</tr>
</tbody>
</table>

5.0 Conclusions

Based on the study findings, the study concludes that, there exists a strong association and relationship between Proactiveness and growth of Women Street vending in Kenya. The study also concludes that, Proactiveness has a positive and significant effect on the growth of Women Street vending in Kenya. Proactiveness deals with opportunity seeking and forward-looking perspectives of business and before these opportunities can be exploited, they must be known. This perspective involves introducing new products ahead of competition and acting in anticipation of future demand to create, change and shape the environment.

6.0 Recommendations

The study also recommends that as the women engage in street vending they should ensure they are proactive in their business by introducing new products ahead of competition and acting in anticipation of future demand to create, change and shape the environment. They should always ensure they are a head of time in ensuring they present the latest products in the market before their competitors know about it. This will enhance their competitive advantage in business.
7.0 References


Marlow, S., & McAdam, M. (2013). Gender and entrepreneurship: Advancing debate and challenging myths; exploring the mystery of the under-performing female


Welter, F., & Smallbone, D. (2004). Comments on entrepreneurship and value creation from an individual and environmental perspective. Rencontre-de-St. Gall, Appenzell, Switzerland.


